



BILLING CODE (3410-XV-U)

DEPARTMENT OF AGRICULTURE

Rural Housing Service

Notice of Funding Availability of Applications (NOFA) for Section 514 Farm Labor Housing Loans and Section 516 Farm Labor Housing Grants for Off-Farm Housing for Fiscal Year (FY) 2013

**AGENCY:** Rural Housing Service, USDA.

**ACTION:** Notice.

**SUMMARY:** This notice announces the timeframe to submit pre-applications for Section 514 Farm Labor Housing (FLH) loans and Section 516 FLH grants for the construction of new off-farm FLH units and related facilities for domestic farm laborers and for the purchase and substantial rehabilitation of an existing non- FLH property. The intended purpose of these loans and grants is to increase the number of available housing units for domestic farm laborers. This notice describes the method used to distribute funds, the application process, and submission requirements.

**DATES:** The deadline for receipt of all applications in response to this Notice is 5:00 p.m., local time to the appropriate Rural Development State Office on [INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER]. The application closing deadline is firm as to date and hour. Rural Development will not consider any application that is received after the closing deadline unless the date and time is extended by another Notice published in the Federal Register. Applicants intending to mail applications must provide sufficient time to permit delivery on or before the closing deadline. Acceptance by a post office or private mailer does not constitute delivery. Facsimile (FAX) and postage due applications will not be accepted.

Applicants wishing to apply for assistance must contact the Rural Development State Office serving the State of the proposed off-farm labor housing project in order to receive further information and copies of the application package. Rural Development will date and time stamp incoming applications to evidence timely receipt and, upon request, will provide the applicant with a written acknowledgment of receipt. A listing of Rural Development State Offices, their addresses, telephone numbers, and person to contact is under section VII of this Notice.

**FOR FURTHER INFORMATION CONTACT:** Mirna Reyes-Bible, Finance and Loan Analyst, Multi-Family Housing Preservation and Direct Loan Division, STOP 0781 (Room 1243-S), USDA Rural Development, 1400 Independence Avenue, S.W., Washington, D.C. 20250-0781, *telephone:* (202) 720-1753 (this is not a toll free number.), or via e-mail: [mirna.reyesbible@wdc.usda.gov](mailto:mirna.reyesbible@wdc.usda.gov). If you have questions regarding Net Zero Energy Consumption and Energy Generation please contact Carlton Jarratt, Finance and Loan Analyst, Multi-Family Housing Preservation and Direct Loan Division at (804) 287-1524 or via e-mail: [carlton.jarrat@wdc.usda.gov](mailto:carlton.jarrat@wdc.usda.gov).

**SUPPLEMENTARY INFORMATION:**

**Paperwork Reduction Act**

The reporting requirements contained in this notice have been approved by the Office of Management and Budget under Control Number 0575-0189

**Overview Information**

*Federal Agency Name:* Rural Development.

*Funding Opportunity Title:* Notice of Funds Availability (NOFA) for Section 514 Farm Labor Housing Loans and Section 516 Farm Labor Housing Grants for Off-Farm Housing for Fiscal Year 2013.

*Announcement Type:* Initial Notice inviting applications from qualified applicants for Fiscal Year 2013.

*Catalog of Federal Domestic Assistance Numbers (CFDA):* 10.405 and 10.427.

*Dates:* The deadline for receipt of all applications in response to this is 5:00 p.m., local time to the appropriate Rural Development State Office on [INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER]. The application closing deadline is firm as to date and hour. Rural Development will not consider any application that is received after the closing deadline unless the date and time is extended by another Notice published in the Federal Register. Applicants intending to mail applications must provide sufficient time to permit delivery on or before the closing deadline. Acceptance by a post office or private mailer does not constitute delivery. Facsimile (FAX) and postage due applications will not be accepted.

**I. Funding Opportunities Description:**

The funds available for FY 2013 for Off-Farm Labor Housing are \$29,867,012 for Section 514 loans, \$8,515,166 for Section 516 grants and \$951,200 for FLH Rental Assistance.

**II. Award Information:**

Applications will only be accepted through the date and time listed in this Notice. All awards are subject to availability of funding. Individual requests may not exceed \$2 million (total loan and grant). No State may receive more than 30 percent of available FLH funding distributed in FY 2013. If there are insufficient applications from around the country to exhaust Sections 514 and 516 funds available, the Agency may then exceed the 30 percent cap per State. Section 516 off-farm FLH grants may not exceed

90 percent of the total development cost (TDC) of the housing as defined in 7 CFR 3560.11.

If leveraged funds are going to be used and are in the form of tax credits, the applicant must include in its pre-application written evidence that a tax credit application has been submitted and accepted by the Housing Finance Agency (HFA). All applications that will receive any other sort of leveraged funding must have firm commitments in place for all of the leveraged funding within 18 months of the issuance of a “Notice of Preapplication Review Action,” Handbook Letter 103 (3560). Applicants without written evidence that a tax credit application has been submitted and accepted by the HFA must certify in writing they will apply for tax credits to the HFA within 18 months of the issuance of a “Notice of Pre-application Review Action.”

Rental assistance (RA) and operating assistance will be available for new construction in FY 2013. Operating assistance is explained at 7 CFR 3560.574 and may be used in lieu of tenant-specific RA in off-farm labor housing projects that serve migrant farm workers as defined in 7 CFR 3560.11 that are financed under Section 514 or section 516 (h) of the Housing Act of 1949, as amended (42 U.S.C. 1484 and 1486(h)) respectively, and otherwise meet the requirements of 7 CFR 3560.574. Owners of eligible projects may choose tenant-specific RA or operating assistance, or a combination of both; however, any tenant or unit assisted with operating assistance may not also receive RA.

### **III. Eligibility Information**

#### *A. Housing Eligibility*

Housing that is constructed with FLH loans and/or grants must meet Rural Development’s design and construction standards contained in 7 CFR part 1924, subparts A and C. Once constructed, off-farm FLH must be managed in accordance with 7 CFR part 3560. In addition, off-farm FLH must be operated on a non-profit basis and tenancy

must be open to all qualified domestic farm laborers, regardless at which farm they work. Section 514(f) (3) of the Housing Act of 1949, as amended (42 U.S.C. 1484(f)(3)) defines domestic farm laborers to include any person regardless of the person's source of employment, who receives a substantial portion of his or her income from the primary production of agricultural or aquacultural commodities in the unprocessed or processed stage, and also includes the person's family.

### *B. Tenant Eligibility*

Tenant eligibility is limited to persons who meet the definition of a "disabled domestic farm laborer," or "a domestic farm laborer," or "retired domestic farm laborer," as defined in 7 CFR 3560.11. Farm workers who are admitted to this country on a temporary basis under the Temporary Agricultural Workers (H-2A Visa) program are not eligible to occupy Sections 514/516 off-farm FLH.

### *C. Applicant Eligibility*

1. To be eligible to receive a Section 516 grant for off-farm FLH, the applicant must be a broad-based non-profit organization, including community and faith-based organizations, a non-profit organization of farm workers, a federally recognized Indian tribe, an agency or political subdivision of a State or local government, or a public agency (such as a housing authority). The applicant must be able to contribute at least one-tenth of the TDC from non-Rural Development resources which can include leveraged funds.

2. To be eligible to receive a Section 514 loan for off-farm FLH, the applicant must be a broad-based non-profit organization, including community and faith-based organizations, a non-profit organization of farm workers, a federally recognized Indian tribe, an agency or political subdivision of a State or local government, a public agency (such as a housing authority), or a limited partnership which has a non-profit entity as its general partner, and

- i. Be unable to provide the necessary housing from its own resources;

ii. Except for State or local public agencies and Indian tribes, be unable to obtain similar credit elsewhere at rates that would allow for rents within the payment ability of eligible residents.

iii. Broad-based non-profit organizations must have a membership that reflects a variety of interests in the area where the housing will be located.

#### **IV. Administrative Requirements**

##### *A. Cost Sharing or Matching*

Section 516 grants for off-farm FLH may not exceed the lesser of 90 percent of the TDC as provided in 7 CFR 3560.562(c)(1).

##### *B. Other Requirements*

The following requirements apply to loans and grants made in response to this notice:

1. 7 CFR part 1901, subpart E, regarding equal opportunity requirements;
2. For grants only, 7 CFR part 3015, 3016 or 3019 (as applicable) and 7 CFR 3052, which establishes the uniform administrative and audit requirements for grants and cooperative agreements to State and local governments and to non-profit organizations;
3. 7 CFR part 1901, subpart F, regarding historical and archaeological properties;
4. 7 CFR part 1940, subpart G, regarding environmental assessments;
5. 7 CFR part 3560, subpart L, regarding the loan and grant authorities of the off-farm FLH program;
6. 7 CFR part 1924, subpart A, regarding planning and performing construction and other development;
7. 7 CFR part 1924, subpart C, regarding the planning and performing of site development work;

8. For construction financed with a Section 516 grant, the provisions of the Davis-Bacon Act (40 U.S.C. 276(a)-276(a)-5) and implementing regulations published at 29 CFR parts 1, 3, and 5;

9. All other requirements contained in 7 CFR part 3560, regarding the Sections 514/516 off-farm FLH program; and

10. Please note that grant applicants must obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number and maintain registration in the Central Contractor Registration Central Contractor Registration (CCR) prior to submitting a pre-application pursuant to 2 CFR 25.200(b). In addition, an entity applicant must maintain registration in the CCR database at all times during which it has an active Federal award or an application or plan under construction by the Agency. Similarly, all recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive compensation in accordance with 2 CFR part 170. So long as an entity applicant does not have an exception under 2 CFR 170.110(b), the applicant must have the necessary processes and systems in place to comply with the reporting requirements should the applicant receive funding. See 2 CFR 170.200(b).

## **V. Application and Submission Information**

### *A. Pre-Application Submission*

The application process will be in two phases: the initial pre-application (or proposal) and the submission of a final application. Only those pre-applications or proposals that are selected for further processing will be invited to submit final applications. In the event that a proposal is selected for further processing and the applicant declines, the next highest ranked unfunded pre-application may be selected for further processing. All pre-applications for Sections 514 and 516 funds must be filed with the appropriate Rural Development State Office and must meet the requirements of this Notice. Incomplete pre-applications will not be reviewed and will be returned to the applicant. No pre-application will be accepted after 5 p.m., local time to the appropriate Rural Development State Office on [INSERT DATE 60 DAYS AFTER DATE OF

PUBLICATION IN FEDERAL REGISTER] unless date and time are extended by another Notice published in the Federal Register.

Pre-applications can be submitted either electronically using the FLH Pre-application form found at: [[http://www.rurdev.usda.gov/HAD-Farm\\_Labor\\_Grants.html](http://www.rurdev.usda.gov/HAD-Farm_Labor_Grants.html)] or in hard copy obtained from and submitted to the appropriate Rural Development Office where the project will be located. Applicants are strongly encouraged, but not required, to submit the pre-application electronically. The electronic form contains a button labeled "Send Form." By clicking on the button, the applicant will receive an e-mail with an attachment that includes the electronic form the applicant filled out as a data file with a .PDF extension. In addition, an auto-reply acknowledgement will be sent to the applicant when the electronic Loan Proposal form is received by the Agency unless the sender has software that will block the receipt of the auto-reply e-mail. The State Office will record pre-applications received electronically by the actual date and time when all attachments are received at the State Office.

Submission of the electronic Section 514 Loan Proposal form does not constitute submission of the entire proposal package which requires additional forms and supporting documentation as listed within this Notice. You may use one of the following three options for submitting the entire proposal package comprising of all required forms and documents. On the Loan Proposal form you can indicate the option you will be using to submit each required form and document.

1. Electronic Media Option. Submit all forms and documents as read-only Adobe Acrobat files on electronic media such as CDs, DVDs or USB drives. For each electronic device submitted, the applicant should include a Table of Contents of all documents and forms on that device. The electronic media should be submitted to the Rural Development State Office listed in this Notice where the property is located. Any forms and documents that are not sent electronically, including the check for credit reports, must be mailed to the Rural Development State Office.



2. E-mail Option. On the Loan Proposal form you will be asked for a Submission E-mail Address. This e-mail address will be used to establish a folder on the USDA server with your unique e-mail address. Once the Loan Proposal form is processed, you will receive an additional e-mail notifying you of the e-mail address that you can use to e-mail your forms and documents. **Please Note:** All forms and documents must be e-mailed from the same Submission E-mail Address. This will ensure that all forms and documents that you send will be stored in the folder assigned to that e-mail address. Any forms and documents that are not sent in via the e-mail option must be submitted on an electronic media or in hard copy form to the Rural Development State Office.

3. Hard Copy Submission to the Rural Development State Office. If you are unable to send the proposal package electronically using either of the options listed above, you may send a hard copy of all forms and documents to the USDA Rural Development State Office where the property is located. Hard copy pre-applications received on or before the deadline date will receive the close of business time of the day received as the receipt time. Hard copy pre-applications must be received by the submission deadline and no later than 5:00 p.m., local time, [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN FEDERAL REGISTER]. Assistance for filing electronic and hard copy pre-applications can be obtained from any Rural Development State Office.

For electronic submissions, there is a time delay between the time it is sent and the time it is received depending on network traffic. As a result, last-minute submissions sent before the deadline date and time could well be received after the deadline date and time because of the increased network traffic. Applicants are reminded that all submissions received after the deadline date and time will be rejected, regardless of when they were sent.

If you receive a loan or grant award under this Notice, USDA reserves the right to post all information not protected under the Privacy Act and submitted as part of the pre-application/application package on a public Website with free and open access to any member of the public.

If a pre-application is accepted for further processing, the applicant must submit a complete, final application, acceptable to Rural Development prior to the obligation of Rural Development funds. If the pre-application is not accepted for further processing the applicant will be notified of appeal rights under 7 CFR part 11.

*B. Pre-Application Requirements*

1. The pre-application must contain the following:

i. A summary page listing the following items. This information should be double-spaced between items and not be in narrative form.

(a) Applicant's name.

(b) Applicant's Taxpayer Identification Number.

(c) Applicant's address.

(d) Applicant's telephone number.

(e) Name of applicant's contact person, telephone number, and address.

(f) Amount of loan and grant requested.

(g) For grants of federal financial assistance (including loans and grants, cooperative agreements, etc.), the applicant's Dun and Bradstreet Data Universal Numbering System (DUNS) number and registration in the CCR database in accordance with 2 CFR part 25. As required by the Office of Management and Budget (OMB), all grant applicants must provide a DUNS number when applying for Federal grants, on or after October 1, 2003. Organizations can receive a DUNS number at no cost by calling the dedicated toll-free number at (866) 705-5711 or via Internet at <http://www.dnb.com/>. Additional information concerning this requirement can be obtained on the Grants.gov Website at [www.grants.gov](http://www.grants.gov). Similarly, applicants may register for the CCR at: <https://www.uscontractorregistration.com/> or by calling (877) 252-2700.

ii. Awards made under this Notice are subject to the provisions contained in the Consolidated and Further Continuing Appropriations Act, 2013, P.L. No. 113-6, Division A sections 732 and 733 regarding corporate felony convictions and corporate federal tax delinquencies. To comply with these provisions, all applicants must complete and

include in the pre-application paragraph (a) of this representation, and all corporate applicants also must complete paragraphs (b) and (c) of this representation:

(a) Applicant \_\_\_\_\_ [insert applicant name] is \_\_\_\_\_ is not \_\_\_\_\_ (check one) and entity that has filed articles of incorporation in one of the fifty states, the District of Columbia, or the various territories of the United States including American Samoa, Federated States of Micronesia, Guam, Midway Islands, Northern Mariana Islands, Puerto Rico, Republic of Palau, Republic of the Marshall Islands, and U.S. Virgin Islands.

(b) Applicant \_\_\_\_\_ [insert applicant name] has \_\_\_\_\_ has not \_\_\_\_\_ (check one) been convicted of a felony criminal violation under Federal or state law in the 24 months preceding the date of application. Applicant has \_\_\_\_\_ has not \_\_\_\_\_ (check one) had any officer or agent of the Applicant convicted of a felony criminal violation for actions taken on behalf of the Applicant under Federal or State law in the 24 months preceding the date of the signature on the pre-application.

(c) Applicant \_\_\_\_\_ [insert applicant name] has \_\_\_\_\_ does not have \_\_\_\_\_ (check one) any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

iii. A narrative verifying the applicant's ability to meet the eligibility requirements stated earlier in this notice. If an applicant is selected for further processing, Rural Development will require additional documentation as set forth in a Conditional Commitment in order to verify the entity has the legal and financial capability to carry out the obligation of the loan.

iv. Standard Form 424, "Application for Federal Assistance," can be obtained at: <http://www.grants.gov> or from any Rural Development State Office listed in Section VII of this Notice.

v. For loan pre-applications, current (within 6 months of pre-application date ) financial statements with the following paragraph certified by the applicant's designated and legally authorized signer:

“I/we certify the above is a true and accurate reflection of our financial condition as of the date stated herein. This statement is given for the purpose of inducing the United States of America to make a loan or to enable the United States of America to make a determination of continued eligibility of the applicant for a loan as requested in the loan application of which this statement is a part.”

vi. For loan pre-applications, a check for \$40 from applicants made out to United States Department of Agriculture. This will be used to pay for credit reports obtained by Rural Development.

vii. Evidence that the applicant is unable to obtain credit from other sources. Letters from credit institutions which normally provide real estate loans in the area should be obtained and these letters should indicate the rates and terms upon which a loan might be provided. (**Note:** Not required from State or local public agencies or Indian tribes.)

viii. If a FLH grant is desired, a statement concerning the need for a FLH grant. The statement should include preliminary estimates of the rents required with and without a grant.

ix. A statement of the applicant’s experience in operating labor housing or other rental housing. If the applicant’s experience is limited, additional information should be provided to indicate how the applicant plans to compensate for this limited experience (*i.e.*, obtaining assistance and advice of a management firm, non-profit group, public agency, or other organization which is experienced in rental management and will be available on a continuous basis).

x. A brief statement explaining the applicant’s proposed method of operation and management (*i.e.*, on-site manager, contract for management services, etc.). As stated earlier in this Notice, the housing must be managed in accordance with the program’s management regulation, 7 CFR part 3560 and tenancy is limited to “disabled domestic farm laborers,” “domestic farm laborers,” and “retired domestic farm laborers,” as defined in 7 CFR 3560.11.

xi. Applicants must also provide:

(a) A copy of, or an accurate citation to, the special provisions of State law under which they are organized, a copy of the applicant's charter, Articles of Incorporation, and by-laws;

(b) The names, occupations, and addresses of the applicant's members, directors, and officers; and

(c) If a member or subsidiary of another organization, the organization's name, address, and nature of business.

xii. A preliminary market survey or market study to identify the supply and demand for labor housing in the market area. The market area must be clearly identified and may include only the area from which tenants can reasonably be drawn for the proposed project. Documentation must be provided to justify a need within the intended market area for the housing of "domestic farm laborers," as defined in 7 CFR 3560.11. The documentation must take into account disabled and retired farm workers. The preliminary survey should address or include the following items:

(a) The annual income level of farmworker families in the area and the probable income of the farm workers who will likely occupy the proposed housing;

(b) A realistic estimate of the number of farm workers who remain in the area where they harvest and the number of farm workers who normally migrate into the area. Information on migratory workers should indicate the average number of months the migrants reside in the area and an indication of what type of family groups are represented by the migrants (*i.e.*, single individuals as opposed to families);

(c) General information concerning the type of labor intensive crops grown in the area and prospects for continued demand for farm laborers;

(d) The overall occupancy rate for comparable rental units in the area and the rents charged and customary rental practices for these units (*i.e.*, will they rent to large families, do they require annual leases, etc.);

(e) The number, condition, adequacy, rental rates and ownership of units currently used or available to farm workers;

(f) A description of the units proposed, including the number, type, size, rental rates, amenities such as carpets and drapes, related facilities such as a laundry room or community room and other facilities providing supportive services in connection with the

housing and the needs of the prospective tenants such as a health clinic or day care facility, estimated development timeline, estimated total development cost, and applicant contribution; and

(g) The applicant must also identify all other sources of funds, including the dollar amount, source, and commitment status. (**Note:** A Section 516 grant may not exceed 90 percent of the total development cost of the housing.)

xiii. The applicant must submit a checklist, certification, and signed affidavit by the project architect or engineer, as applicable, for any energy programs listed in Section IV the applicant intends to participate in.

xiv. The following forms are required:

(a) A completed Form RD 1940-20, “*Request for Environmental Information*,” and a description of anticipated environmental issues or concerns. The form can be found at

<http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD1940-20.PDF>.

(b) A prepared HUD Form 935.2A, “Affirmative Fair Housing Marketing Plan (AFHM) Multi-family Housing,” in accordance with 7 CFR 1901.203(c). The plan will reflect that occupancy is open to all qualified “domestic farm laborers,” regardless of which farming operation they work and that they will not discriminate on the basis of race, color, sex, age, disability, marital or familial status or National origin in regard to the occupancy or use of the units. The form can be found at:

<http://portal.hud.gov/hudportal/documents/huddoc?id=935-2a.PDF>.

(c) A proposed operating budget utilizing Form RD 3560-7, “*Multiple Family Housing Project Budget/Utility Allowance*,” can be found at:

<http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD3560-7.PDF>.

(d) An estimate of development cost utilizing Form RD 1924-13, “*Estimate and Certificate of Actual Cost*,” can be found at:

<http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/-RD1924-13.PDF>.

(e) Form RD 3560-30, “*Certification of no Identity of Interest (IOI)*,” can be found at: [http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD3560-](http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD3560-30.PDF)

[30.PDF](http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD3560-30.PDF) and Form RD 3560-31, “*Identity of Interest Disclosure/ Qualification Certification*,” can be found at:

<http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD3560-31.PDF>[RD3560-31.PDF](http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD3560-31.PDF).

(f) Form HUD 2530, “*Previous Participation Certification*,” can be found at: <http://www.hud.gov/offices/adm/hudclips/forms/files/2530.pdf>.

(g) If requesting Rental Assistance (RA) or Operating Assistance, Form RD 3560-25, “*Initial Request for Rental Assistance or Operating Assistance*,” can be found at: <http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD3560-25.PDF>.

(h) Form RD 400-4, “*Assurance Agreement*,” can be found at: <http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD400-4.PDF>.

Applicants for revitalization, repair, and rehabilitation funding are to apply through the Multi-Family Housing Revitalization Demonstration Program (MPR).

(i) Evidence of compliance with Executive Order 12372. The applicant must send a copy of Form SF-424, “Application for Federal Assistance,” to the applicant’s state clearinghouse for intergovernmental review. If the applicant is located in a state that does not have a clearinghouse, the applicant is not required to submit the form. Applications from federally recognized Indian tribes are not subject to this requirement.

xv. Evidence of site control, such as an option contract or sales contract. In addition, a map and description of the proposed site, including the availability of water, sewer, and utilities and the proximity to community facilities and services such as shopping, schools, transportation, doctors, dentists, and hospitals.

xvi. Preliminary plans and specifications, including plot plans, building layouts, and type of construction and materials. The housing must meet Rural Development’s design and construction standards contained in 7 CFR part 1924, subparts A and C and must also meet all applicable Federal, State, and local accessibility standards.

xvii. A supportive services plan, which describes services that will be provided on-site or made available to tenants through cooperative agreements with service providers in the community, such as a health clinic or day care facility. Off-site services must be accessible and affordable to farm workers and their families. Letters of intent from service providers are acceptable documentation at the pre-application stage.

xviii. A sources and uses statement which shows all sources of funding included in the proposed project. The terms and schedules of all sources included in the project should be included in the sources and uses statement.

xix. A separate one-page information sheet listing each of the “Pre-Application Scoring Criteria,” contained in this Notice, followed by a reference to the page numbers of all relevant material and documentation that is contained in the proposal that supports the criteria.

xx. Applicants are encouraged, but not required, to include a checklist of all of the pre-application requirements and to have their pre-application indexed and tabbed to facilitate the review process;

xxi. Evidence of compliance with the requirements of the applicable State Housing Preservation Office (SHPO), and/or Tribal Historic Preservation Officer (THPO). A letter from the SHPO and/or THPO where the off-farm labor housing project is located, signed by their designee will serve as evidence of compliance.

## **VI. Pre-Application Review Information**

All applications for Sections 514 and 516 funds must be filed electronically or with the appropriate Rural Development State Office and meet the requirements of this Notice. The Rural Development State Office will base its determination of completeness of the application and the eligibility of each applicant on the information provided in the pre-application.

*A. Selection Criteria.* Section 514 loan funds and Section 516 grant funds will be distributed to States based on a national competition, as follows:

1. Rural Development State Office will accept, review, and score pre-applications in accordance with this Notice. The scoring factors are:

i. The presence of construction cost savings, including donated land and construction leverage assistance, for the units that will serve program-eligible tenants. The savings will be calculated as a percentage of the Rural Development TDC. The percentage calculation excludes any costs prohibited by Rural Development as loan expenses, such as a developer’s fee. Construction cost savings includes, but is not



limited to, funds for hard construction costs, and State or Federal funds which are applicable to construction costs. A minimum of 10 percent cost savings is required to earn points; however, if the total percentage of cost savings is less than 10 percent and the proposal includes donated land, two points will be awarded for the donated land. To count as cost savings for purposes of the selection criteria, the applicant must submit written evidence from the third-party funder that an application for those funds has been submitted and accepted points will be awarded in accordance with the following table using rounding to the nearest whole number.

Percentage	Points
75 or more _____	20
60-74 _____	18
50-59 _____	16
40-49 _____	12
30-39 _____	10
20-29 _____	8
10-19 _____	5
0-9 _____	0

ii. The presence of operational cost savings, such as tax abatements, non-Rural Development tenant subsidies or donated services are calculated on a per-unit cost savings for the sum of the savings. Savings must be available for at least 5 years and documentation must be provided with the application demonstrating the availability of savings for 5 years. To calculate the savings, take the total amount of savings and divide it by the number of units in the project that will benefit from the savings to obtain the per unit cost savings. For non-Rural Development tenant subsidy, if the value changes during the 5 year calculation, the applicant must use the lower of the non-rural development tenant subsidy to calculate per unit cost savings. For example, a 10 unit property with 100 percent designated farm labor housing units receiving \$20,000 per year non-rural development subsidy yields a cost savings of \$100,000 (\$20,000 x 5 years); resulting to a \$10,000 per-unit cost savings (\$100,000/10 units).

To determine cost savings in a mixed income complex that will serve other income levels than farm labor housing income-eligible tenants, use only the number of units that will serve farm labor housing income-eligible tenants. Round percentages to the nearest whole number, rounding up at 0.50 and above and down at 0.49 and below.

Use the following table to apply points:

Per-Unit Cost Savings	Points
Above \$15,000	20
\$10,001 - \$15,000	18
\$7,501 - \$10,000	16
\$5,001 - 7,500	12
\$3501 - \$5,000	10
\$2,001 - \$3,500	8
\$1,000 - \$2,000	5

iii. Percent of units for seasonal, temporary, migrant housing. (5 points for up to and including 50 percent of the units; 10 points for 51 percent or more units used for seasonal, temporary, or migrant housing.)

iv. Presence of tenant services.

(a) Up to 10 points will be awarded based on the presence of and extent to which a tenant services plan exists that clearly outlines services that will be provided to the residents of the proposed project. These services may include, but are not limited to, transportation related services, on-site English as a Second Language (ESL) classes, move-in funds, emergency assistance funds, homeownership counseling, food pantries, after school tutoring, and computer learning centers.

(b) Two points will be awarded for each resident service included in the tenant services plan up to a maximum of 10 points. Plans must detail how the services are to be administered, who will administer them, and where they will be administered. All tenant service plans must include letters of intent that clearly state the service that will be

provided at the project for the benefit of the residents from any party administering each service, including the applicant.

v. Energy Initiative Properties.

(a) *Energy Initiatives*: Properties may receive a total maximum of 65 points for energy initiatives. Depending on the scope of work, properties may earn “energy initiative” points in one of two categories: 1) New Construction or Purchase and Gut Rehabilitation of an Existing Non-Farm Labor Housing Building, or 2) General Rehabilitation. Projects will be eligible for one category of the two, but not both. The project architect’s affidavit should specify which category is applicable.

Properties in any category also may receive points for Energy Generation and Green Property Management.

Energy programs including LEED for Homes, Green Communities, etc., will each have an initial checklist indicating prerequisites for participation in its energy program. The applicable energy program checklist will establish whether prerequisites for the energy program’s participation will be met. All checklists must be accompanied by a signed affidavit by the project architect or engineer stating that the goals are achievable. The checklist and affidavit must be submitted together with the loan application.

(1) *Energy Conservation for New Construction or Purchase and Gut Rehabilitation of an Existing Non-Farm Labor Housing Building (maximum 55 points)*. Projects may be eligible for up to 55 points when the pre-application includes a written certification by the applicant to participate in the following energy efficiency programs.

The points will be allocated as follows:

- Participation in the EPA’s Energy Star for Homes V3 program.

(20 points)

[http://www.energystar.gov/index.cfm?c=bldrs\\_lenders\\_raters.pt\\_bldr](http://www.energystar.gov/index.cfm?c=bldrs_lenders_raters.pt_bldr)

OR

- Participation in the Green Communities program by the Enterprise Community Partners. (30 points) <http://www.enterprisecommunity.com/solutions-and-innovation/enterprise-green-communities>.

*OR*

- Participation in one of the following two programs will be awarded points for certification.

**Note:** Each program has four levels of certification. State the level of certification that the applicant plans will achieve in their certification:

- LEED for Homes program by the United States Green Building Council (USGBC): <http://www.usgbc.org/homes>.
  - Certified Level (30 points), OR
  - Silver Level (35 points), OR
  - Gold Level (40 points), OR
  - Platinum Level (45 points),

Applicant must state the level of certification that the applicant's plans will achieve in their certification in its preapplication.

*OR*

- The National Association of Home Builders (NAHB) ICC 700-2008 National Green Building Standard TM: [www.nahb.org](http://www.nahb.org).
  - Bronze Level (30 points), OR
  - Silver Level (35 points), OR
  - Gold Level (40 points), OR

- Emerald Level (45 points).

Applicant must state the level of certification that the applicant's plans will achieve in their certification in its preapplication.

*AND*

- Participation in the Department of Energy's Builder's Challenge program. (8 points) <http://www1.eere.energy.gov/buildings/challenge/>

*AND*

- Participation in local green/energy efficient building standards; Applicants who participate in a city, county or municipality program, will receive an additional 2 points.

(2) *Energy Conservation for General Rehabilitation (maximum 32 points).* Pre-applications for the purchase and rehabilitation of non-program Multi-Family Housing (MFH) and related facilities in rural areas may be eligible to receive 32 points when the pre-application includes a written certification by the applicant to participate in one of the following energy efficiency programs. Again, the certification must be accompanied by a signed affidavit by the project architect or engineer stating that the goals are achievable. Points will be award as follows:

- Participation in the Green Communities program by the Enterprise Community Partners. (30 points) <http://www.enterprisecommunity.com/solutions-and-innovation/enterprise-green-communities>. At least 30 percent of the points needed to qualify for the Green Communities program must be earned under the Energy Efficiency section of Green Communities.

*AND*

- Participation in local green/energy efficient building standards; Applicants who participate in a city, county or municipality program, will receive an

additional 2 points. The applicant should be aware of and look for additional requirements that are sometimes embedded in the third-party program's rating and verification systems. (2 points)

(b) *Energy Generation* (maximum 5 points). Pre-applications for new construction or purchase and rehabilitation of non-program multi-family projects which participate in the Energy Star for Homes V3 Program, Green Communities, LEED for Homes or NAHB's National Green Building Standard (ICC-700)2008, receive at least 8 points for Energy Conservation measures (if limited rehabilitation only) in the point allocations above are eligible to earn additional points for installation of on-site renewable energy sources. In order to receive more than 1 point for this energy generation section, an accurate energy analysis prepared by an engineer will need to be submitted with the pre-application. Energy analysis of preliminary building plans using industry-recognized simulation software must document the projected total energy consumption of the building, the portion of the building consumption which will be satisfied through on-site generation, and the building's Home Energy Rating System (HERS) score.

Projects with an energy analysis of the preliminary or rehabilitation building plans that propose a 10 percent to 100 percent energy generation commitment (where generation is considered to be the total amount of energy needed to be generated on-site to make the building a net-zero consumer of energy) will be awarded points as follows:

- (a) 0 to 9 percent commitment to energy generation receives 0 points;
- (b) 10 to 29 percent commitment to energy generation receives 1 point;
- (c) 30 to 49 percent commitment to energy generation receives 2 points;
- (d) 50 to 69 percent commitment to energy generation receives 3 points;
- (e) 70 to 89 percent commitment to energy generation receives 4 points;
- (f) 90 percent or more commitment to energy generation receives 5 points.

(c) *Property Management Credentials* (5 points). Projects may be awarded an additional 5 points if the designated property management company or individuals that will assume maintenance and operations responsibilities upon completion of construction work have a Credential for Green Property Management. Credentialing can be obtained from the National Apartment Association (NAA), National Affordable Housing Management Association, the Institute for Real Estate Management, U.S. Green Building Council's Leadership in Energy and Environmental Design for Operations and Maintenance (LEED OM), or another source with a certifiable credentialing program. Credentialing must be illustrated in the resume(s) of the property management team and included with the pre-application.

The National Office will rank all pre-applications nationwide and distribute funds to States in rank order, within funding and RA limits. A lottery in accordance with 7 CFR 3560.56(c) (2) will be used for applications with tied point scores when they all cannot be funded. If insufficient funds or RA remain for the next ranked proposal, that applicant will be given a chance to modify their pre-application to bring it within remaining funding levels. This will be repeated for each next ranked eligible proposal until an award can be made or the list is exhausted. Rural Development will notify all applicants whether their applications have been accepted or rejected and provide appeal rights under 7 CFR part 11, as appropriate.

## **VII. Award Administration Information**

### *A. Award Notices.*

Loan applicants must submit their initial applications by the due date specified in this Notice. Once the applications have been scored and ranked by the National Office, the National Office will advise States Offices of the proposals selected for further processing, State Offices will respond to applicants by letter.

If the application is not accepted for further processing, the applicant will be notified of appeal rights under 7 CFR part 11.

*B. Administrative and National Policy*

All Farm Labor Housing loans and grants are subject to the restrictive-use provisions contained in 7 CFR 3560.72(a) (2).

*C. Reporting*

Borrowers must maintain separate financial records for the operation and maintenance of the project and for tenant services. Tenant services will not be funded by Rural Development. Funds allocated to the operation and maintenance of the project may not be used to supplement the cost of tenant services, nor may tenant service funds be used to supplement the project operation and maintenance. Detailed financial reports regarding tenant services will not be required unless specifically requested by Rural Development, and then only to the extent necessary for Rural Development and the borrower to discuss the affordability (and competitiveness) of the service provided to the tenant. The project audit, or verification of accounts on Form RD 3560-10, “*Borrower Balance Sheet*,” together with an accompanying Form RD 3560-7, “*Multiple Family Housing Project Budget Utility Allowance*,” [showing actual,] must allocate revenue and expense between project operations and the service component.

**VIII. Equal Opportunity and Non-Discrimination Requirements.**

Borrowers and applicants will comply with the provisions of 7 CFR Section 3560.2. All housing must meet the accessibility requirements found at 7 CFR Section 3560.60 (d). All applicants must submit or have on file a valid Form RD 400-1, “*Equal Opportunity Agreement*,” and Form RD 400-4, “*Assurance Agreement*.”



The U.S. Department of Agriculture prohibits discrimination against its customers, employees, and applicants for employment on the basis of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

If you wish to file an employment complaint, you must contact your Agency's EEO Counselor (PDF) within 45 days of the date of the alleged discriminatory act, event, or in the case of a personnel action. Additional information can be found online at: [http://www.ascr.usda.gov/complaint\\_filing\\_file.html](http://www.ascr.usda.gov/complaint_filing_file.html).

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at: [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 720-7442 or e-mail at: [program.intake@usda.gov](mailto:program.intake@usda.gov).

Individuals who are deaf, hard of hearing or have speech disabilities and you wish to file either an EEO or program complaint please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish).

Persons with disabilities, who wish to file a program complaint, please see information above on how to contact us by mail directly or by e-mail. If you require alternative means of communication for program information (e.g., Braille, large print,

audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

#### **IX. USDA Rural Development MFH State Office Contacts**

(Note: Telephone numbers listed are not toll-free.)

Alabama State Office  
Suite 601, Sterling Centre  
4121 Carmichael Road  
Montgomery, AL 36106-3683  
(334) 279-3455  
Anne Chavers

Alaska State Office  
800 West Evergreen, Suite 201  
Palmer, AK 99645  
(907) 761-7723  
Cindy Jackson

Arizona State Office  
Phoenix Courthouse and Federal Building  
230 North First Avenue, Suite 206  
Phoenix, AZ 85003-1706  
(602) 280-8764  
Ernie Wetherbee

Arkansas State Office  
700 W. Capitol Avenue, Room 3416  
Little Rock, AR 72201-3225  
(501) 301-3254  
Jackie Young

California State Office  
430 G Street, #4169  
Davis, CA 95616-4169  
(530) 792-5821  
Debra Moretton

Colorado State Office  
USDA Rural Development  
Denver Federal Center  
Building 56, Room 2300  
P.O. Box 25426  
Denver, CO 80225-0426  
(720) 544-291

Jamie Spakow  
Connecticut  
Served by Massachusetts State Office

Delaware and Maryland State Office  
1221 College Park Drive, Suite 200  
Dover, DE 19904  
(302) 857-3615  
Debra Eason

Florida & Virgin Islands State Office  
4440 N.W. 25th Place  
Gainesville, FL 32606-6563  
(352) 338-3465  
Tresca Clemmons

Georgia State Office  
Stephens Federal Building  
355 E. Hancock Avenue  
Athens, GA 30601-2768  
(706) 546-2164  
Jack Stanek

Hawaii State Office  
(Services all Hawaii, American Samoa Guam, and Western Pacific)  
Room 311, Federal Building  
154 Waianuenue Avenue  
Hilo, HI 96720  
(808) 933-8305  
Nate Reidel

Idaho State Office  
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9173 West Barnes Drive  
Boise, ID 83709  
(208) 378-5628  
Joyce Weinzel

Illinois State Office  
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(217) 403-6222  
Barry L. Ramsey

Indiana State Office  
5975 Lakeside Boulevard

Indianapolis, IN 46278  
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Douglas Wright

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Des Moines, IA 50309  
(515) 284-4493  
Shannon Chase

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Mike Resnik

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771 Corporate Drive, Suite 200  
Lexington, KY 40503  
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Paul Higgins

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3727 Government Street  
Alexandria, LA 71302  
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Yvonne R. Emerson

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967 Illinois Avenue, Suite 4  
PO Box 405  
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Bob Nadeau

Maryland  
Served by Delaware State Office

Massachusetts, Connecticut, & Rhode Island State Office  
451 West Street  
Amherst, MA 01002  
(413) 253-4310  
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Julie Putnam

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Linda Swanson

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Rod Hansen

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Martha Hanson

Puerto Rico State Office  
654 Munoz Rivera Avenue  
IBM Plaza, Suite 601  
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(787) 766-5095, ext. 249  
Lourdes Colon

Rhode Island  
Served by Massachusetts State Office

South Carolina State Office  
Strom Thurmond Federal Building  
1835 Assembly Street, Room 1007  
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Tim Chandler

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Huron, SD 57350  
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Kathy Connelly

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John Kirchhoff

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125 S. State Street, Room 4311  
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Janice Kocher

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Robert McDonald

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Tammye Treviño  
Administrator  
Rural Housing Service

\_\_August 7, 2013\_\_  
Date

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